

Should we Dream for a better Future for Papua New Guinea?

What are PNG's economic and social prospects? Announcements from government invariably foretell massive revenue, vast projects, high growth rates and great opportunities, with LNG and carbon trading carrying the economy forward well into the future. Other reports tell of atrocious social indicators (amongst the worst rates of child and maternal mortality, literacy and educational standards), fragile State, devastating corruption and crime, collapsed rural infrastructure and services, and various State institutions imposing major bottlenecks to business and sustainable economic development.

What is the truth? Aren't these two scenarios incompatible? How can a nation with such resources and revenue perform so poorly with, as Dr Michael Bourke stated recently, 5½ million from 6½ million in poverty?

Sadly, whilst some grim tales highlighted in the Australian press may be exceptions, the harsh reality is that PNG is experiencing growing wealth alongside extensive poverty, with evidence of burgeoning corruption, undermining the State's credibility and community prospects.

Growth rates have improved, owing largely to high commodity prices; increased funding is available (theoretically) for restoring goods and services; and the majority retain access to customary land and food supplies, so starvation is not prevalent. But there are other indicators of poverty. Basic educational opportunities are limited, rural health services no longer readily accessible, markets and other utilities, widely considered essential, inaccessible, and life-threatening ailments, malnutrition and food insecurity jeopardise vulnerable households, especially with recent food price hikes. Understandably, large numbers have felt obliged to migrate to towns to obtain services and opportunities, despite lack of urban land or suitable skills. Whilst the 'tyranny of topography' is a real constraint, there is no excuse for government over many years abandoning its Constitutional responsibility for ensuring equitable access to basic infrastructure and essential services.

Deputy Prime Minister, Dr Puka Temu, in addressing the Business Council last week urged everyone to share his dream of a country using its human and natural resources to establish a prosperous nation, with good economic and social opportunities for the whole community, a government listening and responding to its people's needs, focusing government efforts on core functions, withdrawing from business (which it cannot perform well), recognising the private sector as the economic driving force, removing critical bottlenecks to business and encouraging competition, streamlining political and public sector structures and improving standards and capacity, tackling corruption and crime, and reinvesting from non-renewable industries into sustainable and job creating economic activities, notably agriculture and eco-tourism.

We must dream, but is there the will within the leadership and community to convert dreams to reality? Wholesale public disillusion prevails towards government and its institutions. The private sector sees them as stumbling blocks to business, investment and job creation, although there are apparently some favoured enterprises in resource extraction and state-owned enterprises protected from competition, against wider public interest. Public responses to inadequate services and opportunities vary; many

assume deficient services and leaders disbursing benefits as normal; some join the system, grabbing election handouts or compensation payments when available. Others consider themselves victims of an unjust system, justifying lives of street crime upon flagrant high level abuse and their own survival needs. Many others have helped fill the gap through civil society organisations, delivering services or pressuring government to perform their mandated functions.

Civil society organisations command markedly higher public respect and credibility than the State in providing services into rural areas. Some are faith-based, whilst others, from women's and youth organisations, to human rights and advocacy bodies are issues, gender or community-focussed, with some, such as Kudjip and Zia communities in Western Highlands and Morobe, emphasising traditional values and systems of community governance. These individuals and organisations, plus some dedicated public servants and the private sector, keep fragmented services functioning, despite vacuums in public sector leadership, standards and systems.

Should we simply abandon the State, leaving individuals and communities to their own devices, or pursuing local autonomy? It's understandable why many feel that way. PNG's Constitution and laws are enlightened and comprehensive, though requiring updates, but they are widely ignored, including by those responsible for approving or enforcing them! Why, many ask, respect the law or State, if leaders feel they are above them. In a recent governance workshop in Madang greater transparency was sought over leaders' incomes and assets, with their returns to be publicly available, not merely submitted to the Ombudsman Commission.

Despite wide disillusion, we need a functioning State. There are several collapsed States, particularly in Africa, where anarchy prevails at great social cost, prevalent also recently in parts of PNG, Solomons and Timor Leste. We don't need a State that seeks to do everything. We need a State providing the framework (with enforceable and enforced rules) for the economy and society, accepting business is better run by the private sector, with many services outsourced to independent service providers, but, as with State institutions, under the watchful eye of independent watchdogs, ensuring fair competition, community service obligations, social, health and environmental standards and public funds applied properly. We must prune government overheads, excessive layers of administration and boards, whilst ensuring adequate funding for essential infrastructure and services largely at provincial and local levels. Recurrent allocations for these services have been utterly inadequate for years, with public funds severely misused, through false contracts, bogus claims, payroll ghosts, out-of-court settlements, and recently exclusive NADP payments.

There has been inadequate leadership, incapacity to see the big picture, or understand government's operational failings or practical requirements for reform. But fingers cannot simply be pointed at politicians. We all contribute to society, electing political leaders or allowing widespread political and other abuses to prevail. Everyone is a leader, if only in conducting one's own, or household, activities. So, if dreams are to become reality it's not simply up to elected leaders, but requires a shared vision, and willingness to work together. We must all take responsibility for contributing to plans, overseeing implementation, demanding information, transparency and accountability over public funds and assets, tackling corruption (including ensuring staff perform an honest day's work), appointing credible and honest leaders and officials, not electing

wantoks regardless of integrity or capacity, making ward councils and LLGs function and accountable, ensuring abuses by leaders or officials and private sector (including wantoks) are exposed and penalised. If we simply blame others, whilst avoiding responsibility ourselves, we are complicit.

This year's CIMC Regional Development Forums have highlighted the considerable awareness and ideas within the community, and incredible effort by some civil society groups to addressing problems hands-on. The few political leaders and officials who attended also showed firm dedication, such as Chimbu's Governor, committed to establishing dialogue with civil society and public accountability over Districts Grants (including DSIP). Two participating MPs, Joe Mek-Teine and Theo Zurenuoc were impressed by the calibre of community presentations and felt they learnt a lot from this invaluable interaction. Elected representatives and senior public officials should attend these critical community dialogues. There is great reticence to consult, explain and face tough questions over use of public funds, legislative programmes and public policy (even to Parliament and electorates).

Yes, PNG should dream, and make those dreams reality. It needs a streamlined and functioning, rather than bloated and self-serving, State, with funds directed to priorities, ensuring essential goods and services are delivered equitably across the country. Increased revenue and major new projects, such as LNG, if proceeding, are not the solution, although could make a positive difference. Unless we first tackle issues of governance, corruption, resource allocation and accountability, and counter the damaging "resource curse" then increased money will merely increase inequality and social disharmony and further damage the State's credibility. Nauru and Nigeria highlight how mishandled wealth can undermine capacity, instead of benefiting society. PNG deserves better, but collective commitment and effort by the whole community is critical.